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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/082,470	02/21/2002	Shane A. Chalke	455.01	1861

7590  
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10/17/2007

EXAMINER
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TRAN, HAI

ART UNIT	PAPER NUMBER
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3694

MAIL DATE	DELIVERY MODE
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10/17/2007

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

# Office Action Summary

Application No.

10/082,470

Applicant(s)

CHALKE ET AL.

Examiner

Hai Tran

Art Unit

3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 21 February 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-19 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-19 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 7/30/2007 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. This is the communication in response to the Amendments and Remarks/Arguments filed by the Applicant on July 30, 2007 for application 10/082,470, titled: "Method Of Managing Financial Investments On A Group Basis".
2. Claims 1-19 are pending and have been examined.

### ***Priority***

3. This application claims the benefit of U.S. Provisional Patent Application No. 60/270,412, filed on 2/21/2001 and 60/275,145, filed on 3/13/2001.

### ***Drawings***

4. Applicant has submitted a drawing in words for the application. Applicant is still required to furnish a drawing under 37 CFR 1.81(c). No new matter may be introduced in the required drawing.

### ***Specification Objection***

5. Applicant has corrected the minor error with the reference cited in the specification. The objection is withdrawn.

### ***Claim Rejections - 35 USC § 101***

6. The following is quotation of 35 U.S.C. 101:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

7. Claims 1, 3, 4, 5, 6, 7, 8, 11, 12, and 13 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims recite "managers" that do not fall in any of the above four categories. Under 35 U.S.C. 101, the invention must be a process, machine, manufacture, or composition of matter. The claimed invention, a system for remotely and automatically managing group based investment allocation comprising managers, is not an invention as defined under the rule of 35 U.S.C. 101.

8. In addition, claims 1, 3, 4, 5, 6, 7, 8, 11, 12, and 13 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims recite "a system", but also recite a process performed by managers for entering and executing trade instructions. The claims are directed to both a "system" and a "process".

9. Claims 2-19 are also rejected because of their dependency on claim 1.

### ***Claim Rejections - 35 USC § 112***

10. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

11. Claims 1-19 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. More specifically,

12. Claim 1 recites a "system" claim, but step 1.c recites "managers of said investment accounts can define, on said second computer system, groups of multiple

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investments, on which said manager desires to execute a set of trade instructions” and step 1.g recites “managers can view said results on an individual account” are unclear because:

- the steps are directed to a “process” performed by the managers, it is unclear whether Applicant is claiming a system or a process;
- manager cannot be a system or part of a system;
- the claim contains conditional words such as “can” and “desire” (see steps 1.a, b, c, and g) which make the claim unclear whether the functions will be performed or not.

13. Claim 1 is being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. The metes and bounds of the claim cannot be understood because of the lack of definiteness in the claim.

14. Claims 3, 4, 5, 6, 7, 8, 11, 12, and 13 are rejected because they have the same problem as that in claim 1. They also recite managers, process, and the conditional words.

15. Claims 2-19 are also rejected because of their dependency on claim 1.

16. In addition, claims 3, 4, 5, 7, 8, and 13 are rejected because they recite “managers” and “automatically” are unclear to the Examiner as how the process is completed. It is unclear if the process is completed automatically by the system or by the manager. The metes and bounds of the claim cannot be understood because of the lack of definiteness in the claim.

***Response to Arguments***

17. Applicant's arguments with respect to claims 1-19 have been considered but are moot in view of the new ground(s) of rejection.

***Claim Rejections - 35 USC § 102***

18. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

19. Claims 1, 3-5, 7-9, and 14-19 are rejected under 35 U.S.C. 102(e) as being anticipated by Bove et al. (U.S. Patent No. 7,149,713) ("Bove").

Examiner's Note: Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

20. **With respect to claims 1, 14, 15, and 19**, Bove teaches a system for remotely and automatically managing group based investment allocation comprising:

a) a first computer system, wherein said first computer system can automatically connect to other financial institution's computer systems and execute financial trades on said other financial institution's computer systems, and receive account trading status

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reports back from said other financial institution's computer systems (see col. 3, lines 43-56);

b) a second computer system, connected to said first computer system, wherein managers of investment accounts can enter instructions and receive status reports on the status of the investments making up the investment group from said financial institution's computers through said first computer system and then through said second computer system (see col. 3, lines 43-56);

c) wherein said managers of said investment accounts can define, on said second computer system, groups of multiple investments, on which said manager desires to execute a set of trade instructions (see col. 3, lines 43-56);

d) wherein, said set of trade instructions, from said second computer, concerning each of said managers of said investment accounts defined group of investment, is received by said first computer system (see col. 3, lines 43-56);

e) wherein, said first computer system automatically organizes said same set of trade instructions for a group of investment accounts into separate instructions for each individual investment account and transmits said instructions to said financial institution's computer system for each said individual investment account (see col. 3, lines 43-56);

f) wherein, said financial institutions computer system responds back to said first computer system with the results of each individual trade (see col. 3, lines 57-25 of col. 4); and

g) wherein said first computer system recompiles said information from each individual trade into said user defined group and forwards said information to said second computer system, wherein said managers can view said results on an individual account or on a group account basis (see col. 3, lines 43-56).

Bove discloses a computer system in a computerized and automated environment, the client, the server (Examiner notes this is the same as applicant's claim 15), and the computer may reside in the same physical location (Examiner notes this is the same as applicant's claim 14), or each may be remote from one another and may communicate by any suitable communication media (Examiner notes this is the same as applicant's claim 19) (see col. 3, lines 16-25 of col. 4).

21. **With respect to claim 3**, Bove teaches wherein said managers of said investment accounts can, through said second computer system, automatically execute a target account re-allocation (see col. 2, lines 20-27, col. 11, lines 56-46 of col. 12).

22. **With respect to claim 4**, Bove teaches wherein said managers of said investment accounts can, through said second computer system, automatically execute a target account transfer of all money from one or more investments and distribute it amongst one or more other investments by target percentages (see col. 2, lines 28-40, col. 13, lines 26-44 of col. 14).

23. **With respect to claim 5**, Bove teaches wherein said managers of said investment accounts can, through said second computer system, automatically execute regular, pre-timed target account transfer of all money from one or more investments



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and distribute it amongst one or more other investments by target percentages (see col. 2, lines 28-40 where it says "predetermined percentage").

24. **With respect to claim 7**, Bove teaches wherein said managers of said investments can, through said second computer system, automatically prepare client status reports for a group of contracts, with details on each individual contract (see col. 2, lines 2-6, col. 11, lines 37-55, figure 4).

25. **With respect to claim 8**, Bove teaches wherein said managers of said investment accounts can, through said second computer system, automatically conduct multiple transactions on individual accounts within groups of accounts without human intervention (see claim 1, step (d), col. 32, lines 11-21).

26. **With respect to claim 9**, Bove teaches wherein each transaction is automatically checked to ensure that contracts in a group have at least one financial position in common for trades (see figures 3B, C, D, col. 9, lines 51-15 of col. 10).

27. **With respect to claims 16-18**, Bove's system works for any financial investment, i.e. mutual funds, annuities, insurance (see col. 4, line 29-34 of col. 9).

### ***Claim Rejections - 35 USC § 103***

28. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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29. Claims 2, 6, 10, and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bove in view of Edelman (U.S. Patent No. 6,064,986) ("Edelman").

30. **With respect to claims 2, 6, and 13**, Bove does not expressly teach such features. However, Edelman teaches further comprising definable trading day cut off times for each investment (see col. 21, lines 6-13, figure 12/element s30), wherein said managers of said investment accounts can modify, cancel or adjust multiple investments at one time (see col. 21, lines 14-40, figure 12/elements s36, s38), and wherein said managers of said investment accounts can automatically cancel or modify transactions on individual accounts within groups of accounts before trade cut off time (see col. 21, lines 6-40, figure 12/elements s34-s38). It would have been obvious to one of ordinary skill in the art at the time of the invention to include the teachings of Edelman, related to customer account administration, in the teachings of Bove, related to automating investment planning, to offer a better account administration. The motivation is to provide a better investment management (see Bove, col. 31, lines 61-67).

31. **With respect to claim 10**, Bove does not expressly teach such feature. However, Edelman teaches that wherein each transaction is automatically checked to ensure that individual contracts do not have outstanding trades placed on them that would negatively impact the trade for that group (see col. 6, lines 6-14, figure 5/element 109). One of ordinary skill in the art would have combined the teachings of Edelman and the teachings of Bove to a better investment management (see Bove, col. 31, lines 61-67).

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32. Claims 11 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bove in view of Wallman (U.S. Patent No. 6,338,047) ("Wallman").

33. **With respect to claims 11-12**, Bove does not expressly teach such features. However, Wallman teaches wherein said managers of said investment accounts can, through said second computer system, form ad-hoc groups of contracts, and standing groups of contracts (see col. 4, lines 31-40, col. 5, lines 43-54). It would have been obvious to one of ordinary skill in the art at the time of invention to include the teachings of Wallman, related to investing in group basis, in the teachings of Bove, related to automating investment planning, to offer more investment choices. The motivation is to provide a better investment portfolio.

### ***Conclusion***

34. Claims 1-19 are rejected.

35. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Hai Tran whose telephone number is (571) 272-7364. The examiner can normally be reached on M-F, 9-4 PM.

36. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

37. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for


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published applications may be obtained from either Private PAIR or Public PAIR.

Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

HT

  
ZELLA COLBERT  
PRIMARY EXAMINER